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May 5, 2003

BARCLAYS

The Honorable William M. Thomas
Chairman
Committee on Ways and Means
U.S. House of Representatives
2208 Rayburn House Office Building
Washington, DC 20515-0521

Dear Mr. Chairman:

I appreciated the opportunity to meet with you yesterday to learn about the changes to the earnings stripping provisions of your international tax legislation. I very much appreciate the changes you are making in recognition of the facts that a worldwide leverage limitation creates serious difficulties for financial institutions and that the safe harbors proposed by the Treasury would not work. These changes will make a tremendous difference to my ability to run my business.

At Barclays Capital I am Global Head of the Collateralized Finance Division and my responsibilities include securities lending, repurchase agreements, futures financing, and listed equity and futures electronic trading. In looking toward the future for my businesses under the earlier proposal, I would have been faced with difficult choices that would have included reconfiguring a great deal of their operations. This would inevitably have meant moving some people, jobs and liquidity away from the U S market if not actually exiting some of the U S business altogether.

With the changes that you have described, I am pleased to support your bill on simplifying the international provisions of the U S Tax Code and I look forward to working with you and your staff going forward.

Yours sincerely,



Kevin R. Mirabile
Managing Director &
Global Head of Collateralized Finance